

INTERNATIONAL LABOR ORGANIZATION'S
RECOMMENDATION ON EMPLOYMENT

LETTER

FROM

ASSISTANT SECRETARY FOR CONGRESSIONAL
RELATIONS, DEPARTMENT OF STATE

TRANSMITTING

TEXT OF ILO RECOMMENDATION CONCERNING EMPLOY-
MENT POLICY, PURSUANT TO THE OBLIGATIONS OF THE
UNITED STATES AS A MEMBER OF THE INTERNATIONAL
LABOR ORGANIZATION



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LETTER OF TRANSMITTAL

DEPARTMENT OF STATE,
Washington, September 6, 1966.

HON. JOHN W. McCORMACK,
Speaker of the House of Representatives.

DEAR MR. SPEAKER: In accordance with the obligations of the United States as a member of the International Labor Organization, I transmit to the House of Representatives, for its information and for such action as it may deem appropriate, the text of ILO Recommendation No. 122 concerning employment policy. This recommendation was adopted by the International Labor Conference at its 48th session, at Geneva, on July 9, 1964.

Recommendation No. 122 sets out general principles for the employment policy enunciated in ILO Convention No. 122, designed to promote full, productive, and freely chosen employment. It lists general and selective measures for implementing that policy. The convention was transmitted by the President to the Senate on June 2, 1966, with a request for Senate advice and consent to its ratification (S. Ex. G, 89th Cong., 2d sess.).

The coordinated view of the interested departments and agencies of the executive branch of the Government regarding both instruments is set forth in the enclosed letter of February 24, 1966, from the Secretary of Labor.

The matters dealt with in recommendation No. 122 are considered appropriate under our constitutional system in part for action by the Federal Government and in part for action by the States. The recommendation has accordingly been transmitted to the States and to the Commonwealth of Puerto Rico and brought to the attention of the several territories.

Sincerely yours,

DOUGLAS MACARTHUR II,
Assistant Secretary for Congressional Relations.

(Enclosures: (1) Recommendation No. 122, and (2) letter from the Secretary of Labor.)

LETTER OF SUBMITTAL

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, February 24, 1966;

HON. DEAN RUSK,
Secretary of State,
Washington, D.C.

DEAR MR. SECRETARY: This will express to you the coordinated view of the interested departments and agencies with respect to convention No. 122 and recommendation No. 122 concerning employment policy, both adopted at the 48th session of the International Labor Conference at Geneva, Switzerland, July 9, 1964.

This coordinated view was reached after due consideration of the provisions of the instruments by the Council of Economic Advisers, the Department of Agriculture, the Department of Commerce, the Department of Health, Education, and Welfare, the Department of the Interior, the Department of Justice, the Equal Employment Opportunity Commission, and the Department of Labor, each of which expressed its views to the extent which it considered appropriate. Representatives of the Department of State were consulted in connection with the formulation of this coordinated view.

The convention was adopted at the Conference by a vote of 206 for, 54 against, with 37 abstentions. The Government and worker delegates of the United States voted for the convention and the employer delegate voted against it. The recommendation was adopted by a vote of 275 for, none against, with 10 abstentions. The U.S. delegation voted unanimously for it.

The convention generally provides that each member shall declare and pursue, as a major goal, an active policy designed to promote full, productive, and freely chosen employment. One of the aims of this policy is fullest possible opportunity for suitable employment irrespective of race, color, sex, religion, political opinion, national extraction, or social origin. The recommendation sets out general principles for the employment policy enunciated by the convention. It also lists general and selective measures for implementing the policy going into employment problems associated with economic underdevelopment. It also lists actions that should be taken by employers and workers and their organizations to promote the policy as well as certain international action to be taken by members. An annex to the recommendation contains suggestions for application of measures of employment policy. The provisions of the instruments are described more fully in the enclosure to this letter.

In the Employment Act of 1946 Congress declared the continuing policy and responsibility of the Federal Government to be the use of all practical means consistent with its needs and obligations and other essential considerations of national policy to foster and promote

conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment. This policy and responsibility has been implemented in diverse U.S. statutory and administrative actions. More recently, the President in his 1964 manpower report enunciated the aim of the Government to insure all men the self-respect and economic security that flow from full use of their talents. This aim, reiterated in the 1965 report, has been given much impetus in recent legislation. The Manpower Development and Training Act of 1962, as amended, the Economic Opportunity Act of 1964, as amended, the Civil Rights Act of 1964, and the Public Works and Economic Development Act of 1965 are all directed toward the goal of affording all workers the opportunity of participating in our economic life. Although Federal equal employment opportunity legislation (title VII of the Civil Rights Act of 1964) does not deal with employment discrimination on account of political opinion or social origin, the need for such affirmative implementation of the convention's policy in these two categories has not been evident in the United States. The act's employment protections do not apply to "an individual who is a member of the Communist Party of the United States or of any other organization required to register as a Communist-action or Communist-front organization by final order of the Subversive Activities Control Board pursuant to the Subversive Activities Control Act of 1950" (sec. 703(f)). Such organizations have been declared by Congress to constitute unlawful conspiracies rather than political parties or organizations. (See 50 U.S.C. 781, 782, 791, 792, 841-844; *Communist Party of the United States v. United States*, 331 F. 2d 807, 812 (C.A.D.C., 1963).)

More specialized measures have also been taken. The tax cut of 1964 and the Excise Tax Reduction Act of 1965 were aimed at stimulating consumer and business demand and, in turn, expanding employment. Various educational and vocational training programs to develop human capacities have been adopted or recommended. The Appalachian Regional Development Act of 1965 is directed at the economic problems of a particular region.

No fixed form of providing consultation with representatives of the persons affected by domestic measures to be taken is provided in the convention. However, in the United States such consultation is undertaken in many forms, such as presentations to congressional committees, statutory requirements for advisory committees drawn from worker and employer groups, and executive arrangements such as the President's Committee on Labor-Management Policy.

It is our view that the matters dealt with in convention No. 122 are appropriate for action under our constitutional system by the Federal Government. It is our recommendation, therefore, that, pursuant to the obligations of this Government under paragraph 7(a) of article 19 of the Constitution of the International Labor Organization, the President transmit the convention to the Senate with a request for the advice and consent of that body to its ratification. It is also our view that present U.S. legislation and institutional arrangements bring us into compliance with the obligations of the convention and that any further implementation of the policy to be pursued under the convention is a matter of domestic determination, as provided both in the terms of the convention and as set forth

in the course of its consideration by the ILO (Report of Proceedings, International Labor Conference, 48th session, Geneva, 1964, p. 434).

With regard to the matters dealt with in recommendation No. 122, it is our view that they are appropriate under our constitutional system in part for action by the Federal Government and in part for action by the States of the United States. It is our recommendation, therefore, that pursuant to the obligations of this Government under paragraph 7(b) of article 19 of the Constitution of the International Labor Organization, the State Department should transmit the recommendation to the Congress, advising that it is appropriate, in whole or in part, for action by the States. Since numerous measures have been enacted, proposed, or are under consideration providing for implementation of U.S. employment policy consistent with the objectives of the recommendation, we are not at this time making recommendations to Congress for legislation directly in connection with this instrument.

At the appropriate time, I will transmit the recommendation to the States and to the Commonwealth of Puerto Rico for legislation or such other action as they may deem appropriate.

Finally, we recommend that the recommendation be transmitted by the Secretary of the Interior to the Governments of Guam, the Virgin Islands, and American Samoa, for such action as they may deem appropriate with respect to those aspects of the recommendation which are in whole or in part within their jurisdiction. The recommendation should also be submitted to the Secretary of the Interior for appropriate action and advice with respect to the Trust Territory of the Pacific Islands.

Sincerely,

W. WILLARD WIRTZ,
Secretary of Labor.

(Enclosure.)

CONVENTION AND RECOMMENDATION No. 122 CONCERNING
EMPLOYMENT POLICY

Convention No. 122

Convention No. 122 (art. 1) provides that with a view to stimulating economic growth and development, raising levels of living, meeting manpower requirements and overcoming unemployment and underemployment, each member shall declare and pursue, as a major goal, an active policy designed to promote full, productive, and freely chosen employment. The policy shall aim at insuring that (a) there is work for all who are available for and seeking work; (b) such work is as productive as possible; and (c) there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he is well suited, irrespective of race, color, sex, religion, political opinion, national extraction, or social origin. The policy shall also take account of the stage and level of economic development and the mutual relationships between employment objectives and other economic and social objectives, and shall be pursued by methods that are appropriate to national conditions and practices.

The convention further provides (art. 2) that, each member shall by such methods and to such extent as may be appropriate under national conditions, decide on and keep under review, within the framework of a coordinated economic and social policy, the measures to be adopted

for attaining the objectives specified in article 1; and shall take such steps as may be needed for the application of these measures. In the application of the convention, representatives of the persons affected by the measures to be taken, and in particular representatives of employers and workers, shall be consulted concerning employment policies (art. 3).

Recommendation No. 122

The recommendation sets out general principles for the employment policy enunciated by the convention. It also lists general and selective measures for implementing the policy, going into employment problems associated with economic underdevelopment. The recommendation also contains actions that should be taken by employers and workers and their organizations to promote the policy as well as certain international action to be taken by members. An annex to the recommendation contains suggestions for applications of measures of employment policy.

The general principles for the employment policy are public definition of quantitative targets for economic growth and employment, consultation between representatives of workers and employers and their organizations on policies for the development and use of human capacities, analytical studies of the labor force adequately supported by statistical data and made public, recognition of importance of programs and to develop human capacities, coordination of employment policy with other economic and social policy, and measures to assist the unemployed and underemployed.

General measures of employment policy should aim at a continuously expanding economy. Short-term measures such as control of consumption, investment, and/or government expenditure should be used to combat economic imbalances. Selective measures should deal with seasonal employment and unemployment or underemployment resulting from structural changes. Programs should be established for an employment service, for training and retraining, and coordination of housing policy with employment policy. Special priority should be given to measures designed to remedy youth unemployment, to meet the needs of older workers, and of depressed areas, and to using technological progress to enhance leisure and educational opportunities.

Measures adapted to the needs of developing countries should include encouragement of investment, diversification of industry, promoting job producing industry and handicrafts and small-scale industries with encouragement of cooperatives, promotion of rural employment including agrarian reforms, and balance of growth of employment opportunities and growth of the labor force.

Employers and workers and their organizations should engage in consulting, study, promotion, as well as methods of dealing with employment problems at the level of the undertaking. Countries should work together to avoid creating employment problems for each other both in internal and external economic policy, with particular consideration for the needs of developing countries, and under technical cooperation to develop employment policy and increased employment.

Additional suggestions for methods of application of the standards of the recommendation are included in an annex to the instrument.

These methods involve use of statistical data, such as economic indicators and labor force studies, coordination with other fiscal and social measures, use of fiscal, public works, and contracting measures to stabilize employment. The suggestions also involve detailed measures to deal with seasonal fluctuations in employment, structural unemployment, and economic underdevelopment, including special problems of rural areas.

INTERNATIONAL LABOUR CONFERENCE

RECOMMENDATION 122

RECOMMENDATION CONCERNING EMPLOYMENT POLICY, ADOPTED BY THE CONFERENCE AT ITS FORTY-EIGHTH SESSION, GENEVA, 9 JULY 1964

The General Conference of the International Labour Organisation, Having been convened at Geneva by the Governing Body of the International Labour Office, and having met in its Forty-eighth Session on 17 June 1964, and

Considering that the Declaration of Philadelphia recognises the solemn obligation of the International Labour Organisation to further among the nations of the world programmes which will achieve full employment and the raising of standards of living, and that the Preamble to the Constitution of the International Labour Organisation provides for the prevention of unemployment and the provision of an adequate living wage, and

Considering further that under the terms of the Declaration of Philadelphia it is the responsibility of the International Labour Organisation to examine and consider the bearing of economic and financial policies upon employment policy in the light of the fundamental objective that "all human beings, irrespective of race, creed or sex, have the right to pursue both their material well-being and their spiritual development in conditions of freedom and dignity, of economic security and equal opportunity", and

Considering that the Universal Declaration of Human Rights provides that "everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment", and

Noting the terms of existing international labour Conventions and Recommendations of direct relevance to employment policy, and in particular of the Employment Service Convention and Recommendation, 1948, the Vocational Guidance Recommendation, 1949, the Vocational Training Recommendation, 1962, and the Discrimination (Employment and Occupation) Convention and Recommendation, 1958, and

Considering that these instruments should be placed in the wider framework of an international programme for economic expansion on the basis of full, productive and freely chosen employment, and

Having decided upon the adoption of certain proposals with regard to employment policy, which are included in the eighth item on the agenda of the session, and

Having determined that these proposals shall take the form of a Recommendation, adopts this ninth day of July of the year one thousand nine hundred and sixty-four the following Recommendation, which may be cited as the Employment Policy Recommendation, 1964:

I. OBJECTIVES OF EMPLOYMENT POLICY

1. (1) With a view to stimulating economic growth and development, raising levels of living, meeting manpower requirements and overcoming unemployment and underemployment, each Member should declare and pursue, as a major goal, an active policy designed to promote full, productive and freely chosen employment.

(2) The said policy should aim at ensuring that—

(a) there is work for all who are available for and seeking work;

(b) such work is as productive as possible;

(c) there is freedom of choice of employment and the fullest possible opportunity for each worker to qualify for, and to use his skills and endowments in, a job for which he is well suited, irrespective of race, colour, sex, religion, political opinion, national extraction or social origin.

(3) The said policy should take due account of the stage and level of economic development and the mutual relationships between employment objectives and other economic and social objectives, and should be pursued by methods that are appropriate to national conditions and practice.

II. GENERAL PRINCIPLES OF EMPLOYMENT POLICY

2. The aims of employment policy should be clearly and publicly defined, wherever possible in the form of quantitative targets for economic growth and employment.

3. Representatives of employers and workers and their organisations should be consulted in formulating policies for the development and use of human capacities, and their co-operation should be sought in the implementation of such policies, in the spirit of the Consultation (Industrial and National Levels) Recommendation, 1960.

4. (1) Employment policy should be based on analytical studies of the present and future size and distribution of the labour force, employment, unemployment and underemployment.

(2) Adequate resources should be devoted to the collection of statistical data, to the preparation of analytical studies and to the distribution of the results.

5. (1) Each Member should recognise the importance of building up the means of production and developing human capacities fully, for example through education, vocational guidance and training, health services and housing, and should seek and maintain an appropriate balance in expenditure for these different purposes.

(2) Each Member should take the necessary measures to assist workers, including young people and other new entrants to the labour force, in finding suitable and productive employment and in adapting themselves to the changing needs of the economy.

(3) In the application of this Paragraph particular account should be taken of the Vocational Guidance Recommendation, 1949, the

Vocational Training Recommendation, 1962, and the Employment Service Convention and Recommendation, 1948.

6. (1) Employment policy should be co-ordinated with, and carried out within the framework of, over-all economic and social policy, including economic planning or programming in countries where these are used as instruments of policy.

(2) Each Member should, in consultation with and having regard to the autonomy and responsibility in certain of the areas concerned of employers and workers and their organisations, examine the relationship between measures of employment policy and other major decisions in the sphere of economic and social policy, with a view to making them mutually reinforcing.

7. (1) Where there are persons available for and seeking work for whom work is not expected to be available in a reasonably short time, the government should examine and explain in a public statement how their needs will be met.

(2) Each Member should, to the fullest extent permitted by its available resources and level of economic development, adopt measures taking account of international standards in the field of social security and of Paragraph 5 of this Recommendation to help unemployed and underemployed persons during all periods of unemployment to meet their basic needs and those of their dependents and to adapt themselves to opportunities for further useful employment.

III. GENERAL AND SELECTIVE MEASURES OF EMPLOYMENT POLICY

General Considerations

8. Employment problems attributable to fluctuations in economic activity, to structural changes and especially to an inadequate level of activity should be dealt with by means of—

- (a) general measures of economic policy; and
- (b) selective measures directly connected with the employment of individual workers or categories of workers.

9. The choice of appropriate measures and their timing should be based on careful study of the causes of unemployment with a view to distinguishing the different types.

General Measures: Long Term

10. General economic measures should be designed to promote a continuously expanding economy possessing a reasonable degree of stability, which provides the best environment for the success of selective measures of employment policy.

General Measures: Short Term

11. (1) Measures of a short-term character should be planned and taken to prevent the emergence of general unemployment or underemployment associated with an inadequate level of economic activity, as well as to counterbalance inflationary pressure associated with a lack of balance in the employment market. At times when these conditions are present or threaten to appear, action should be taken to increase or, where appropriate, to reduce private consumption,

private investment and/or government current or investment expenditure.

(2) In view of the importance of the timing of counter-measures, whether against recession, inflation or other imbalances, governments should, in accordance with national constitutional law, be vested with powers permitting such measures to be introduced or varied at short notice.

Selective Measures

12. Measures should be planned and taken to even out seasonal fluctuations in employment. In particular, appropriate action should be taken to spread the demand for the products and services of workers in seasonal occupations more evenly throughout the year or to create complementary jobs for such workers.

13. (1) Measures should be planned and taken to prevent the emergence and growth of unemployment or underemployment resulting from structural changes, and to promote and facilitate the adaptation of production and employment to such changes.

(2) For the purpose of this Recommendation the term "structural change" means long-term and substantial change taking the form of shifts in demand, of the emergence of new sources of supply, national or foreign (including supplies of goods from countries with lower costs of production) or of new techniques of production, or of changes in the size of the labour force.

(3) The dual objective of measures of adaptation to structural changes should be—

(a) to obtain the greatest benefit from economic and technical progress;

(b) to protect from financial or other hardship groups and individuals whose employment is affected by structural changes

14. (1) To this end, and to avoid the loss of production entailed by delays in filling vacancies, Members should establish and adequately finance programmes to help workers to find and fit themselves for new jobs.

(2) Such programmes should include—

(a) the operation of an effective employment service, taking account of the provisions of the Employment Service Convention and Recommendation, 1948;

(b) the provision or encouragement of training and retraining facilities designed to enable workers to acquire the qualifications needed for lasting employment in expanding occupations, taking account of the provisions of the Vocational Training Recommendation, 1962;

(c) the co-ordination of housing policy with employment policy, by the provision of adequate housing and community facilities in places where there are job vacancies, and the provision of removal grants for workers and their dependants by the employer or out of public funds.

15. Special priority should be given to measures designed to remedy the serious, and in some countries growing, problem of unemployment among young people. In the arrangements for young persons envisaged in the Employment Service Convention and Recommendation, 1948, the Vocational Guidance Recommendation, 1949, and the Vocational Training Recommendation, 1962, full account should be taken of the trends of structural change, so as to ensure the develop-

ment and the use of the capacities of young persons in relation to the changing needs of the economy.

16. Efforts should be made to meet the particular needs of categories of persons who encounter special difficulties as a result of structural change or for other reasons, such as older workers, disabled persons and other workers who may find it particularly difficult to change their places of residence or their occupations.

17. Special attention should be given to the employment and income needs of lagging regions and of areas where structural changes affect large numbers of workers, in order to bring about a better balance of economic activity throughout the country and thus to ensure a productive utilisation of all resources.

18. (1) When structural changes of exceptional magnitude occur, measures of the kinds provided for in Paragraphs 13 to 17 of this Recommendation may need to be accompanied by measures to avoid large-scale, sudden dislocation and to spread the impact of the change or changes over a reasonable period of time.

(2) In such cases governments, in consultation with all concerned, should give early consideration to the determination of the best means, of a temporary and exceptional nature, to facilitate the adaptation to the structural changes of the industries affected, and should take action accordingly.

19. Appropriate machinery to promote and facilitate the adaptation of production and employment to structural changes, with clearly defined responsibilities in regard to the matters dealt with in Paragraphs 13 to 18 of this Recommendation, should be established.

20. (1) Employment policy should take account of the common experience that, as a consequence of technological progress and improved productivity, possibilities arise for more leisure and intensified educational activities.

(2) Efforts should be made to take advantage of these possibilities by methods appropriate to national conditions and practice and to conditions in each industry; these methods may include—

(a) reduction of hours of work without a decrease in wages, within the framework of the Reduction of Hours of Work Recommendation, 1962;

(b) longer paid holidays;

(c) later entry into the labour force, combined with more advanced education and training.

IV. EMPLOYMENT PROBLEMS ASSOCIATED WITH ECONOMIC UNDERDEVELOPMENT

Investment and Income Policy

21. In developing countries employment policy should be an essential element of a policy for promoting growth and fair sharing of national incomes.

22. With a view to achieving a rapid expansion of production, investment and employment, Members should seek the views and active participation of employers and workers, and their organisations, in the elaboration and application of national economic development policy, and of the various aspects of social policy, in accordance with the Consultation (Industrial and National Levels) Recommendation, 1960.

23. (1) In countries where a lack of employment opportunities is associated with a shortage of capital, all appropriate measures should be taken to expand domestic savings and to encourage the inflow of financial resources from other countries and from international agencies, with a view to increasing productive investment without prejudicing the national sovereignty or the economic independence of the recipient countries.

(2) In order to utilise the resources available to these countries rationally and to increase employment therein as far as possible, it would be desirable for them to co-ordinate their investments and other development efforts with those of other countries, especially in the same region.

Promotion of Industrial Employment

24. (1) Members should have regard to the paramount need for the establishment of industries, public or private, which are based on available raw materials and power, which correspond to the changing pattern of demand in domestic and foreign markets and which use modern techniques and appropriate research, in order to create additional employment opportunities on a long-term basis.

(2) Members should make every effort to reach a stage of industrial development which ensures, within the framework of a balanced economy, the maximum economic production of finished products, utilising local manpower.

(3) Particular attention should be given to measures promoting efficient and low-cost production, diversification of the economy and balanced regional economic development.

25. Besides promoting modern industrial development, Members should, subject to technical requirements, explore the possibility of expanding employment by—

(a) producing, or promoting the production of, more goods and services requiring much labour;

(b) promoting more labour-intensive techniques, in circumstances where these will make for more efficient utilisation of available resources.

26. Measures should be taken—

(a) to promote fuller utilisation of existing industrial capacity to the extent compatible with the requirements of domestic and export markets, for instance by more extensive introduction of multiple shifts, with due regard to the provision of amenities for workers on night shift and to the need for training a sufficient number of key personnel to permit efficient operation of multiple shifts;

(b) to create handicrafts and small-scale industries and to assist them to adapt themselves to technological advances and changes in market conditions so that they will be able to provide increasing employment without becoming dependent on such protective measures or special privileges as would impede economic growth; to this end the development of co-operatives should be encouraged and efforts should be made to establish a complementary relationship between small-scale and large-scale industry and to develop new outlets for the products of industry.

Promotion of Rural Employment

27. (1) Within the framework of an integrated national policy, countries in which there is much rural underemployment should place special emphasis on a broadly based programme to promote productive employment in the rural sector by a combination of measures, institutional and technical, relying as fully as possible on the efforts of the persons concerned. Such a programme should be founded on adequate study of the nature, prevalence and regional distribution of rural underemployment.

(2) Major objectives should be to create incentives and social conditions favourable to fuller utilisation of local manpower in rural development, and to improve productivity and quality of output. Means appropriate to local conditions should be determined, where possible, by adequate research and the instigation of multi-purpose pilot projects.

(3) Special attention should be devoted to the need for promoting opportunities for productive employment in agriculture and animal husbandry.

(4) Institutional measures for the promotion of productive employment in the rural section should include agrarian reforms, adapted to the needs of the country, including land reform and improvement of land tenure; reform in methods of land taxation; extension of credit facilities; development of improved marketing facilities; and promotion of co-operative organisation in production and marketing.

Population Growth

28. Countries in which the population is increasing rapidly, and especially those in which it already presses heavily on the economy, should study the economic, social and demographic factors affecting population growth with a view to adopting economic and social policies that make for a better balance between the growth of employment opportunities and the growth of the labour force.

V. ACTION BY EMPLOYERS AND WORKERS AND THEIR ORGANISATIONS

29. (1) Employers and workers in the public and private sectors, and their organisations, should take all practicable measures to promote the achievement and maintenance of full, productive and freely chosen employment.

(2) In particular, they should—

(a) consult one another, and as appropriate the competent public authorities, employment services or similar institutions, as far in advance as possible, with a view to working out mutually satisfactory adjustments to changes in the employment situation;

(b) study trends in the economic and employment situation, and in technical progress, and propose as appropriate, and in good time, such action by governments and by public and private undertakings as may safeguard within the framework of the general interest the employment security and opportunities of the workers;

(c) promote wider understanding of the economic background, of the reasons for changes in employment opportunities in specific

occupations, industries or regions, and of the necessity of occupational and geographical mobility of manpower;

(d) strive to create a climate which, without prejudicing national sovereignty, economic independence or freedom of association, will encourage increased investment from both domestic and foreign sources, with positive effects on the economic growth of the country;

(e) provide or seek the provision of facilities such as training and retraining facilities, and related financial benefits;

(f) promote wage, benefit and price policies that are in harmony with the objectives of full employment, economic growth, improved standards of living and monetary stability, without endangering the legitimate objectives pursued by employers and workers and their organisations; and

(g) respect the principle of equality of opportunity and treatment in employment and occupation, taking account of the provisions of the Discrimination (Employment and Occupation) Convention and Recommendation, 1958.

(3) In consultation and co-operation as appropriate with workers' organisations and/or representatives of workers at the level of the undertaking, and having regard to national economic and social conditions, measures should be taken by undertakings to counteract unemployment, to help workers find new jobs, to increase the number of jobs available and to minimise the consequences of unemployment; such measures may include—

(a) retraining for other jobs within the undertaking;

(b) transfers within the undertaking;

(c) careful examination of, and action to overcome, obstacles to increasing shift work;

(d) the earliest possible notice to workers whose employment is to be terminated, appropriate notification to public authorities and some form of income protection for workers whose employment has been terminated, taking account of the provisions of the Termination of Employment Recommendation, 1963.

VI. INTERNATIONAL ACTION TO PROMOTE EMPLOYMENT OBJECTIVES

30. Members, with the assistance as appropriate of intergovernmental and other international organisations, should co-operate in international action to promote employment objectives, and should, in their internal economic policy, seek to avoid measures which have a detrimental effect on the employment situation and the general economic stability in other countries, including the developing countries.

31. Members should contribute to all efforts to expand international trade as a means of promoting economic growth and expansion of employment opportunities. In particular, they should take all possible measures to diminish unfavourable repercussions on the level of employment of fluctuations in the international terms of trade and of balance-of-payments and liquidity problems.

32. (1) Industrialised countries should, in their economic policies, including policies for economic co-operation and for expanding demand, take into account the need for increased employment in other countries, in particular in the developing countries.

(2) They should, as rapidly as their circumstances permit, take measures to accommodate increased imports of products, manufactured, processed and semi-processed as well as primary, that can be economically produced in developing countries, thus promoting mutual trade and increased employment in the production of exports.

33. International migration of workers for employment which is consistent with the economic needs of the countries of emigration and immigration, including migration from developing countries to industrialised countries, should be facilitated, taking account of the provisions of the Migration for Employment Convention and Recommendation (Revised), 1949, and the Equality of Treatment (Social Security) Convention, 1962.

34. (1) In international technical co-operation through multilateral and bilateral channels special attention should be paid to the need to develop active employment policies.

(2) To this end, such co-operation should include—

(a) advice in regard to employment policy and employment market organisation as essential elements in the field of general development planning and programming; and

(b) co-operation in the training of qualified local personnel, including technical personnel and management staff.

(3) Technical co-operation programmes relating to training should aim at providing the developing countries with suitable facilities for training within the country or region. They should also include adequate provision for the supply of equipment. As a complementary measure, facilities should also be provided for the training of nationals of developing countries in industrialised countries.

(4) Members should make all efforts to facilitate the release for suitable periods, both from governmental and non-governmental employment, of highly qualified experts in the various fields of employment policy for work in developing countries. Such efforts should include arrangements to make such release attractive to the experts concerned.

(5) In the preparation and implementation of technical co-operation programmes, the active participation of employers' and workers' organisations in the countries concerned should be sought.

35. Members should encourage the international exchange of technological processes with a view to increasing productivity and employment, by means such as licensing and other forms of industrial co-operation.

36. Foreign-owned undertakings should meet their staffing needs by employing and training local staff, including management and supervisory personnel.

37. Arrangements should be made, where appropriate on a regional basis, for periodical discussion and exchange of experience of employment policies, particularly employment policies in developing countries, with the assistance as appropriate of the International Labour Office.

VII. SUGGESTIONS CONCERNING METHODS OF APPLICATION

38. In applying the provisions of this Recommendation, each Member of the International Labour Organisation and the employers' and workers' organisations concerned should be guided, to the extent possible and desirable, by the suggestions concerning methods of application set forth in the Annex.

ANNEX

SUGGESTIONS CONCERNING METHODS OF APPLICATION

I. GENERAL AND SELECTIVE MEASURES OF EMPLOYMENT POLICY

1. (1) Each Member should—

(a) make continuing studies of the size and distribution of the labour force and the nature and extent of unemployment and underemployment and trends therein, including, where possible, analyses of—

(i) the distribution of the labour force by age, sex, occupational group, qualifications, regions and economic sectors; probable future trends in each of these; and the effects of demographic factors, particularly in developing countries with rapid population growth, and of technological change on such trends;

(ii) the volume of productive employment currently available and likely to be available at different dates in the future in different economic sectors, regions and occupational groups, account being taken of projected changes in demand and productivity;

(b) make vigorous efforts, particularly through censuses and sample surveys, to improve the statistical data needed for such studies;

(c) undertake and promote the collection and analysis of current indicators of economic activity, and the study of trends in the evolution of new techniques in the different sectors of industry both at home and abroad, particularly as regards automation, with a view, *inter alia*, to distinguishing short-term fluctuations from longer-term structural changes;

(d) make short-term forecasts of employment, underemployment and unemployment sufficiently early and in sufficient detail to provide a basis for prompt action to prevent or remedy either unemployment or shortages of labour;

(e) undertake and promote studies of the methods and results of employment policies in other countries.

(2) Members should make efforts to provide those responsible for collective bargaining with information on the results of studies of the employment situation undertaken in the International Labour Office and elsewhere, including studies of the impact of automation.

2. Attainment of the social objectives of employment policy requires co-ordination of employment policy with other measures of economic and social policy, in particular measures affecting—

(a) investment, production and economic growth;

(b) the growth and distribution of incomes;

(c) social security;

(d) fiscal and monetary policies, including anti-inflationary and foreign exchange policies; and

(e) the promotion of freer movement of goods, capital and labour between countries.

3. With a view to promoting stability of production and employment, consideration should be given to the possibility of making more use of fiscal or quasi-fiscal measures designed to exert an automatic stabilising influence and to maintain a satisfactory level of consumer income and investment.

4. Measures designed to stabilise employment may further include—

(a) fiscal measures in respect of tax rates and investment expenditure;

(b) stimulation, or restraint, of economic activity by appropriate measures of monetary policy;

(c) increased, or reduced, expenditure on public works or other public investment of a fundamental nature, for example roads, railways, harbours, schools, training centres and hospitals; Members should plan during periods of high employment to have a number of useful but postponable public works projects ready to be put into operation in times of recession;

(d) measures of a more specific character, such as increased government orders to a particular branch of industry in which recession threatens to provoke a temporary decline in the level of activity.

5. Measures to even out seasonal fluctuations in employment may include—

(a) the application of new techniques to make it possible for work to be carried out under conditions in which it would have been impracticable without these techniques;

(b) the training of workers in seasonal occupations for complementary occupations;

(c) planning to counteract seasonal unemployment or underemployment; special attention should be given to the co-ordination of the activities of the different public authorities and private enterprises concerned with building and construction operations, so as to ensure continuity of activity to meet the employment needs of workers.

6. (1) The nature of the special difficulties which may be encountered as a result of structural changes by the categories of persons referred to in Paragraph 16 of the Recommendation should be ascertained by the competent authority and appropriate action recommended.

(2) Special measures should be taken to provide suitable work for these groups and to alleviate hardship.

(3) In cases where older or disabled workers face great difficulty in adjusting to structural changes, adequate benefits for such workers should be provided within the framework of the social security system, including, where appropriate, retirement benefits at an age below that normally prescribed.

7. (1) When structural changes affect large numbers of workers concentrated in a particular area and especially if the competitive strength of the area as a whole is impaired, Members should provide, and should, by the provision of effective incentives and consultation with the representatives of employers and workers, encourage individual enterprises to provide, additional employment in the area, based on comprehensive policies of regional development.

(2) Measures taken to this end may include—

(a) the diversification of existing undertakings or the promotion of new industries;

(b) public works or other public investment including the expansion or the setting up of public undertakings;

(c) information and advice to new industries as to conditions of establishment;

(d) measures to make the area more attractive to new industries, for example through the redevelopment or improvement of the infrastructure, or through the provision of special loan facilities, temporary subsidies or temporary tax concessions or of physical facilities such as industrial estates;

(e) preferential consideration in the allocation of government orders;

(f) appropriate efforts to discourage excessive industrial concentration.

(3) Such measures should have regard to the type of employment which different areas, by reason of their resources, access to markets and other economic factors, are best suited to provide.

(4) The boundaries of areas which are given special treatment should be defined after careful study of the probable repercussions on other, particularly neighbouring, areas.

II. EMPLOYMENT PROBLEMS ASSOCIATED WITH ECONOMIC UNDERDEVELOPMENT

8. Measures to expand domestic saving and encourage the inflow of financial resources from other countries, with a view to increasing productive investment, may include—

(a) measures, consistent with the provisions of the Forced Labour Convention, 1930, and the Abolition of Forced Labour Convention, 1957, and taken within the framework of a system of adequate minimum labour standards and in consultation with employers and workers and their organisations, to use available labour, with a minimum complement of scarce resources, to increase the rate of capital formation;

(b) measures to guide savings and investment from unproductive uses to uses designed to promote economic development and employment;

(c) measures to expand savings—

(i) through the curtailment of non-essential consumption, with due regard to the need for maintaining adequate incentives; and

(ii) through savings schemes, including contributory social security schemes and small savings schemes;

(d) measures to develop local capital markets to facilitate the transformation of savings into productive investment;

(e) measures to encourage the reinvestment in the country of a reasonable part of the profits from foreign investments, as well as to recover and to prevent the outflow of national capital with a view to directing it to productive investment.

9. (1) Measures to expand employment by the encouragement of labour-intensive products and techniques may include—

(a) the promotion of labour-intensive methods of production by means of—

(i) work study to increase the efficiency of modern labour-intensive operations;

(ii) research and dissemination of information about labour-intensive techniques, particularly in public works and construction;

(b) tax concessions and preferential treatment in regard to import or other quotas to undertakings concerned;

(c) full exploration of the technical, economic and organisational possibilities of labour-intensive construction works, such as multi-purpose river valley development projects and the building of railways and highways.

(2) In determining whether a particular product or technique is labour-intensive, attention should be given to the proportions in which capital and labour are employed not merely in the final processes, but in all stages of production, including that of materials, power and other requirements; attention should be given also to the proportions in which increased availability of a product will generate increased demand for labour and capital respectively.

10. Institutional measures for the promotion of productive employment in the rural sector may, in addition to those provided for in Paragraph 27 of the Recommendation, include promotion of community development programmes, consistent with the provisions of the Forced Labour Convention, 1930, and the Abolition of Forced Labour Convention, 1957, to evoke the active participation of the persons concerned, and in particular of employers and workers and their organisations, in planning and carrying out local economic and social development projects, and to encourage the use in such projects of local manpower, materials and financial resources that might otherwise remain idle or unproductively used.

11. Means appropriate to local conditions for the fuller utilisation of local manpower in rural development may include—

(a) local capital-construction projects, particularly projects conducive to a quick increase in agricultural production, such as small and medium irrigation and drainage works, the construction of storage facilities and feeder roads and the development of local transport;

(b) land development and settlement;

(c) more labour-intensive methods of cultivation, expansion of animal husbandry and the diversification of agricultural production;

(d) the development of other productive activities, such as forestry and fishing;

(e) the promotion of rural social services such as education, housing and health services;

(f) the development of viable small-scale industries and handicrafts in rural areas, such as local processing of agricultural products and manufacture of simple consumers' and producers' goods needed in the area.

12. (1) In pursuance of Paragraph 5 of the Recommendation, and taking account of the provisions of the Vocational Training Recommendation, 1962, developing countries should endeavour to eradicate illiteracy and promote vocational training for workers in all sectors, as well as appropriate professional training for scientific, technical and managerial personnel.

(2) The necessity of training instructors and workers in order to carry out the improvement and modernisation of agriculture should be taken into account.

The foregoing is the authentic text of the Recommendation duly adopted by the General Conference of the International Labour Organisation during its Forty-eighth Session which was held at Geneva and declared closed the ninth day of July 1964.

IN FAITH WHEREOF we have appended our signatures this thirteenth day of July 1964.

The President of the Conference,
ANDRÉS AGUILAR MAWDSLEY.

The Director-General of the International Labour Office,
DAVID A. MORSE.

The text of the Recommendation as here presented is a true copy of the text authenticated by the signatures of the President of the International Labour Conference and of the Director-General of the International Labour Office.

Certified true and complete copy,
for the Director-General of the International Labour Office:

